



FEMA

# News Release

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## **KENTUCKY ALERTED TO WATCH FOR SCAMS, FRAUD FOLLOWING STORMS** *FEMA does not charge fees for processing disaster aid*

**LEXINGTON, KY**--When floodwaters subside, one of the first things to float to the surface is the scam artist.

The Kentucky Division of Emergency Management (KYEM), Federal Emergency Management Agency (FEMA) and the U.S. Small Business Administration (SBA) remind businesses and homeowners to be wary of individuals who may try to take advantage of you.

The most common types of fraud after disaster strikes are scam artists, contractor fraud, and identity theft.

Scammers may come to your door, pretend to be a disaster official and try to charge money to process a registration or inspect a home. Some contractors might ask for advance money then disappear. Others might ask for personal information to try to steal your identity.

### **Remember: FEMA and the SBA never charge a fee for processing disaster aid.**

FEMA workers are not contractors. They will not offer to do the work for you or have their cousin, brother, friend call to “help you out.” FEMA and the SBA never endorse specific contractors.

To protect yourself from unscrupulous contractors:

- **Use Known Contractors First:** If you were satisfied with past work done by local licensed contractors, try them first. Do business only with licensed and insured contractors. If they cannot help you, ask for recommendations. If you must hire a contractor you don’t know, talk to several of them and verify their phone number, address, website, etc. before signing anything.
- **Ask for references.** Contractors should be willing to provide names of previous customers. Contact some of those customers and ask if they would hire the contractor again.
- **Ask for proof of insurance.** Be sure the contractor has disability and workers’ compensation insurance. If not, you may be liable for accidents on your property.
- **Ask for a written estimate.** Make sure it includes everything you expect the contractor to do. Also, find out up-front if the contractor will charge a fee for the estimate.
- **Get a written contract.** The contract should clearly state all work, costs and the payment schedule. Never sign a blank contract or one with blank spaces. You may want to have an attorney look at the contract before signing it. Applicants who have limited income or those unable to obtain legal counsel can get free disaster legal services by calling **877-445-8763**.

- **Get guarantees in writing (if separate from the contract).** If the contractor provides guarantees, he/she should clearly state what is covered by that guarantee, who is responsible for fulfilling the guarantee (dealer, contractor or manufacturer), and how long the guarantee is valid.
- **Get a copy of the final, signed contract.** Before signing, read it over carefully. Once signed, the contract is binding on both you and the contractor.
- **Do not sign off before the job is finished.** Make sure the work is done to your satisfaction before signing completion papers or making a final payment. A reputable contractor will not threaten you or pressure you to sign if the job is not finished properly.

#### Beware of identity theft

FEMA Community Relations teams, other disaster officials and inspectors are in Kentucky communities right now, meeting face-to-face with affected citizens, local officials, and business owners. These workers are there to help citizens register for federal disaster assistance. To protect your identity:

- **Withhold Personal Information:** Unless you require special assistance to register your damage, do not give personal information such as your bank account numbers, social security number, or other information to those without proper identification. This goes for on the phone, online, or in person.
- **Ask for ID:** Always ask for identification from any official who stops at your home or business. Among legitimate officials that may visit your home are FEMA inspectors, SBA loss verifiers, federal/commonwealth community relations teams, and local building officials. Look for a prominently displayed identity card. All FEMA workers are happy to let you look closely at their ID when asked. The ID will have a photograph of the person wearing it, the words FEMA, a seal, the person's name, and an expiration date.

If you think someone has stolen your identity, call or write all three credit bureaus and ask them to place a fraud alert on your credit report. The fraud alert tells creditors to contact you before opening any new accounts or making any changes to your existing accounts.

To report suspected fraud in the Commonwealth of Kentucky, call the Office of the Attorney General, Consumer Protection Division at (502) 696-5389. Additional information about this disaster is available at [www.fema.gov](http://www.fema.gov) and [www.kyem.ky.gov/currentdisasters](http://www.kyem.ky.gov/currentdisasters).

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*FEMA's mission is to support our citizens and first responders to ensure that as a nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards.*

*FEMA's temporary housing assistance and grants for public transportation expenses, medical and dental expenses, and funeral and burial expenses do not require individuals to apply for a SBA loan. However, applicants who receive SBA loan applications must submit them to the SBA to be eligible for assistance that covers personal property, vehicle repair or replacement, and moving and storage expenses.*